Oriental Bank of Commerce;

(d) whether Government have taken any steps to ensure that other private banks maintain their financial position; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Government does not directly monitor the functioning of private banks, it is Reserve Bank of India which has been empowered under the Banking Regulation Act, 1949, to do this monitoring.

(c) The financial health of GTB was causing concern to Reserve Bank of India (RBI) due to wrong reporting by the bank and false certification by statutory auditors of the bank on key performance indicators for the years 2001-02 & 2002-03. Bank's net worth had fully eroded, both profit and ORAR were negative. Accordingly, after initial moratorium Government has notified a scheme amalgamating Global Trust Bank with Oriental Bank of Commerce on 13th August, 2004. This was done exclusively to protect the interests of depositors of GTB.

(d) and (e) RBI has taken several steps which *inter-alia* include introduction of off-site monitoring system and strengthening of the supervisory framework/Risk Based Supervision for banks, introduction of capital adequacy standards on the lines of the Basal norms, prudential norms on asset classification, income recognition and provisioning.

National Tax Tribunal

1354. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to constitute a National Tax Tribunal to resolve the disputes within six months;

(b) if so, the details thereof;

(c) whether it is a fact that many petitions have been filed against this move in various High Courts; and

(d) if so, in what manner Government propose to cross this hurdle and set up National Tax Tribunal at an early date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. The government promulgated an Ordinance for the purpose on 16.10.2003. The Ordinance has ceased to operate on 12.1.2004. The Bill introduced in the Lok Sabha in this regard has also lapsed with the dissolution of 13th Lok Sabha on 6.2.2004. The proposal to introduce a fresh Bill on the lines of the lapsed Bill is under consideration.

(c) and (d) Yes, Sir. A number of writ petitions were filed in various High Courts against the National Tax Tribunal Ordinance, 2003. These writ petitions were transferred to the Supreme Court on the basis of the transfer applications filed by the Government. However, all these transfer petitions have since been dismissed by the Supreme Court as the Ordinance has lapsed and the prayer in the writ petitions have become infructuous.

Financial Aid to Gujarat

1355. SHRI JAYANTILAL BAROT:
SHRI LALITBHAI MEHTA:
SHRIMATI SAVITA SHARDA:
DR. A.K. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government of Gujarat has demanded financial aid for the natural calamities including devastating earthquake of 2002, to the tune of Rs. 12848.16 crores from 1998 to 2003;

(b) if so, what was the demand and the amount sanctioned and disbursed from 1998-99 to 2002-03;

(c) whether it is a fact that the Central Government levied a 2 per cent surcharge on Income Tax for two years to help earthquake affected Gujarat; and

(d) if so, how much was the collection by the Central Government and disbursement to Gujarat?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Government of Gujarat submitted memorandum for assistance of Rs. 14178.00 crores during 1998-2003. Based on the assessment made as per norms, an amount